

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:
04-002

2. STATE
CA

FOR: HEALTH CARE FINANCING ADMINISTRATION

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
January 1, 2004

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:
42 CFR section 447.256

7. FEDERAL BUDGET IMPACT:
a. FFY 03-04 \$300,000
b. FFY 04-05+ \$600,000

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19 - A
Page 16

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):

Attachment 4.19 - A
Page 16

10. SUBJECT OF AMENDMENT: To determine the out-of-state hospital rate, Medi-Cal will pay the most recent average of the contract rates for 300 bed plus hospitals as reported by the California Medical Assistance Commission.

11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT

☒ OTHER, AS SPECIFIED:

The Governor's Office does not wish to
review State Plan Amendments

☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:

Stan Rosenstein.

14. TITLE:

Acting Deputy Director, Medical Care Services

15. DATE SUBMITTED:

16. RETURN TO:

Department of Health Services
Medi-Cal Policy Division
Attn: State Plan Coordinator
1501 Capitol Avenue, Suite 71.4375
MS 4600
P.O. Box 99417
Sacramento, CA 95899-7417

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

MAR 26 2004

18. DATE APPROVED:

November 30, 2004

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

JAN - 1 2004

20. SIGNATURE OF REGIONAL OFFICIAL:

Dennis G. Smith

21. TYPED NAME:

DENNIS G. Smith

22. TITLE:

Director, CMSO

23. REMARKS:

Approach: Reimbursement to Out-of-State Hospitals for Inpatient Services Provided to Medi-Cal Beneficiaries

Out-of-state hospital inpatient services which have been certified for payment at the acute level and which are either of an emergency nature or for which prior Medi-Cal authorization has been obtained, shall be reimbursed the current statewide average of contract rates for acute inpatient hospital services provided by hospitals with at least 300 beds or the hospital's actual billed charges, whichever is less. Contract rates are negotiated by the California Medical Assistance Commission (CMAC), which annually reports to the California Legislature the average of such rates as of the preceding December 1. The term "current" in this paragraph refers to the most recent average of the contract rates for hospitals with at least 300 beds that CMAC has reported to the Legislature. The average of the contract rates for hospitals with at least 300 beds as of December 1 in a particular calendar year will be the maximum rate paid to out-of-state hospitals for dates of service beginning January 1 of the following calendar year.